

**MINUTES OF THE SPECIAL MEETING**

**OF THE**

**COMMISSIONERS OF THE CHICAGO HOUSING AUTHORITY**

**February 7, 2001**  
**10:00 a.m.**

The Commissioners of the Chicago Housing Authority held a Special Meeting on Wednesday, February 7, 2001 at 626 West Jackson, 6<sup>th</sup> Floor Board Room.

The meeting was called to order by the Chairperson, and upon roll call, those present were as follows:

Present:	Sharon Gist Gilliam Mamie Bone Michael Darcy Leticia Peralta Davis Earnest Gates Dr. Mildred Harris Andrew Mooney Sandra Young
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Absent:	Hallie Amey Rahm Emanuel
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Also present were Terry Peterson, Chief Executive Officer; G.A. Finch, General Counsel, Chicago Housing Authority Staff Members, News Media and the General Public.

There being a quorum present the meeting duly convened and business was transacted as follows:

The Chairperson announced that the Special Meeting was called so that the Operations and Audit Committee could discuss and possibly recommend for Board approval master developers for the Stateway, Rockwell and Robert Taylor developments. Also under consideration would be the Intergovernmental Agreement with the City Department of Planning for Land Use Study.

THE CERTIFICATE AS TO SERVICE OF NOTICE OF SPECIAL MEETING and the WAIVER OF NOTICE AND CONSENT TO SPECIAL MEETING, as signed by the Commissioners of said Authority, were read and ordered spread upon the minutes of this Special meeting and filed for record.

**NOTICE OF SPECIAL MEETING**

**TO:**           **Board of Commissioners**

**YOU ARE HEREBY NOTIFIED** that the Commissioners of the Chicago Housing Authority are called to meeting in a Special Session, on Wednesday, February 7 at 10:00 a.m. to take action on master developers for Stateway, Rockwell and Robert Taylor developments and approval of an Intergovernmental Agreement with the City Department of Planning for Land Use Study.

CHICAGO HOUSING AUTHORITY

By: /s/ Sharon Gist Gilliam  
Chairperson, Board of Commissioners

DATED: January 30, 2001

**CERTIFICATE AS TO SERVICE OF NOTICE  
OF SPECIAL MEETING**

I, SHARON GIST GILLIAM, the duly appointed, qualified and acting as Chairperson of the Chicago Housing Authority, do hereby certify that on Tuesday, January 30, 2001, I served, in the manner provided in the By-laws of said Authority, upon each of the Commissioners of said Authority named in the foregoing NOTICE OF SPECIAL MEETING, a true and correct copy of the said NOTICE OF SPECIAL MEETING.

IN TESTIMONY WHEREOF, I have hereunto set my hand this 7<sup>th</sup> day of February, 2001.

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Sharon Gist Gilliam, Chairperson

**WAIVER OF NOTICE OF AND CONSENT TO  
SPECIAL TELECONFERENCE MEETING**

We, the undersigned Commissioners of the Chicago Housing Authority, pursuant to Section 3, of Article II of the Bylaws, do hereby accept service of the foregoing NOTICE OF SPECIAL MEETING, waiving any and all irregularities in such service and in said NOTICE OF SPECIAL MEETING and do hereby consent and agree that the said Commissioners of said Chicago Housing Authority shall meet at the time in said NOTICE OF SPECIAL MEETING and for the purpose therein stated.

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Hallie Amey

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Mamie Bone

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Michael Darcy

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Leticia Peralta Davis

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Rahm Emanuel

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Earnest Gates

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Andrew Mooney

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Sandra Young

The Chairperson then recessed the portion of the Special Board Meeting and Commissioner Earnest Gates, Chairperson of the Operations and Audit Committee, called the Committee meeting to order.

Jan Laskey, Acting Chief of Development, presented the Committee with a chronological summation of activities leading to the working group's recommendations. Per Ms. Laskey, a Request for Qualification (RFQ) was issued by the Chicago Housing Authority (CHA) and The Habitat Company for the redevelopment of sites at Stateway, Taylor A & B and Rockwell Gardens. Responses to the RFQ were received and evaluated by a working group that was formed for each site. Members of each working group included 2 LAC officers, representatives from the Department of Housing and Planning, Gautreaux plaintiff's counsel, Habitat and CHA staff. The Stateway Working Group also included two (2) community representatives: one from the White Sox organization and the Mid-South Planning Group.

According to Ms. Laskey, the selection process was conducted by CHA in a multi-tiered manner that began with the issuance of the RFQ. The selection criteria in the RFQ were the basis for the Working Group's recommendation. The primary criteria related to the development and management of mixed income residential property, including experience with the development process from initial site planning through construction, experience in successful use of multiple sources of financing, and experience in securing and sustaining high quality property management. Also considered were the development teams' capacity to create resident and community participation, capacity to create resident owned businesses and other MBE/WBE, capacity to create meaningful employment opportunities for residents and business approach to the redevelopment process. First, the Working Groups initially evaluated the written responses to identify the finalists to interview. Second, the Working Group held extensive interviews, including question and answer sessions, with the finalists. Ms. Laskey concluded her presentation by advising the Committee that the recommendation of Stateway Associates Team for Stateway, Brinshore-Michael's Development Team for Taylor and East Lake for Rockwell reflects the judgment of the Working Group members based on the interviews, questions and extensive review of each finalist development team.

Commissioner Mooney then recused himself from discussing and voting on Item 1 related to Stateway Associates.

Dick Shields, Project Executive for the Stateway Associates and principal of MESA Developments, then introduced members of his team. Team members gave a synopsis of their particular field as it related to the overall master developer plan. Mr. Shield then presented the Committee with an overview of the team's expertise, experience, capabilities and approach as master developers for the Stateway development. A discussion on social services and needs assessment then followed. The Committee then voted to recommend Stateway Associates as master developers for Stateway Gardens.

Rich Shortino, President of Brinshore Development, then introduced his partner, David Brint, and Sinclair Cooper, Vice-President of Michael Development. Per Mr. Shortino, the assembled development team for the Robert Taylor project originated by a three-prong approach as follows: expertise for applying and obtaining HOPE VI funds from HUD, demonstrated ability in property management and a team that reflects understanding of local markets and capacity to implement and undertake the development. Team members then expounded on the variety of services to be provided and their individual level of participation through out the project.

The Committee then devoted considerable discussion to the following issues: delivery of social services to both current and post-transition residents once development has begun, role of Chicago Urban League, responsibility and exposure of developer, CHA's investment and fair return, pre-development and post Hope VI cost, project deliverables and benchmarks, contract terms for pre-development stage, and recruitment process in local community to expand pool of minority businesses.

While the Committee was impressed with the strength of the team's plan for physical redevelopment, several concerns lingered with regards to the delivery of social services, exposure of developer, CHA's fair return and terms of CHA's participation in the pre-development stage. The consensus of the Committee was to defer the recommendation of Brinshore-Michael as master developer for Robert Taylor for further discussion at the Operations Committee meeting scheduled for 2:00 p.m. on Wednesday, February 14, 2001. The Committee also requested a presentation by Brinshore-Michael's staff who was directly responsible for the social services portion of the plan.

Eileen Rhodes, Operations Manager of East Lake Management, then presented members of the East Lake development team. Per Ms. Rhodes, since 1997, East Lake has been the property manager for Rockwell Gardens and has thereby developed a strong and supportive relationship with the resident leadership and residents of Rockwell. According to Ms. Rhodes, East Lake is a full service real estate company with 15 years of experience in all aspects of real estate development, construction and property management. Ms. Rhodes informed the Committee that East Lake was the first company to develop mixed-income developments through out Chicago

using HUD's 236 Program and have been committed to the promotion of mixed-income housing for over 20 years. East Lake's involvement in creating the Rockwell 1997 Strategic Plan, per Ms. Rhodes, created an opportunity to deal with significant issues such as relocation, demolition, economic development and community involvement thereby facilitating the process of developing the Hope VI Plan. Members of East Lake's development team then elaborated on their respective services and expertise to be provided in the overall development plan.

An extensive question and answer session then followed. One of the principal concerns of the Committee is East Lake's capability to undertake the project; the Committee pointed out that no experience was noted on resumes for the overall master development or social services capacity. CHA staff was also requested to provide the Committee with an assessment on East Lake's performance as property managers for Rockwell. East Lake was also requested to provide the Committee with additional information with regards to delivery of social services and development of CCS portion of HOPE VI application. The Committee then unanimously voted to defer recommendation for further discussion at the Operations Committee meeting scheduled for Wednesday, February 14, 2001.

The Committee then discussed the remaining Item No. 4 and the following list summarizes Committee's actions accordingly:

**Item 1 - Recommended for full Board approval on 2/20/01:** Approval of Working Group's recommendation for Master Developer at Stateway . Recommended Awardee: Stateway Associates, a joint venture of MESA Development LLC, The Davis Group, Walsh Construction and Kimball Hill Homes. (Commissioner Mooney recused himself from discussing and voting on this item)

**Item 2 - Tabled for further discussion at Operations Committee Meeting of 2/14/01:** Recommendation for Master Developer at Robert Taylor "A" and "B". Recommended Awardee: Brinshore-Michael.

**Item 3 - Tabled for further discussion at Operations Committee Meeting of 2/14/01:** Recommendation for Master Developer at Rockwell. Recommended Awardee: East Lake.

**Item 4 - Approved:** Recommendation to approve Intergovernmental Agreement with the City Department of Planning for Land Use Study.

There being no further business to come before the Operation & Audit Committee, upon motion made, seconded and carried the portion of the Operations meeting was adjourned.

The Chairperson reconvened the Special Board Meeting and reiterated the above actions approved by the Operations Committee.

The Chairperson then introduced a motion for the approval of Item 4.

#### **Item 4**

The resolution for Item 4, requests approval of an Intergovernmental Agreement with the City of Chicago's Department of Planning (DPD) for the creation of Land Use Surveys for the State street Corridor and Rockwell Gardens Community. The purpose of the Intergovernmental Agreement is to memorialize the understanding between CHA and DPD for its commitment to assist the CHA with needed planning services required for the 2001 Hope VI Revitalization Grant application submitted. The Hope VI applications must receive recommendation from the City because of the opportunity provided for redevelopment of surrounding communities. The Hope VI applications require the CHA to create Land Use Surveys for the State Street Corridor with a boundary of 22<sup>nd</sup> Street on the North, 55<sup>th</sup> Street on the South, Martin Luther King Drive on the East and the Dan Ryan Expressway on the West and Rockwell Gardens with a boundary of Lake Street on the North, Eisenhower Expressway on the South, Western Avenue on the East and Kedzie Avenue on the West. The Land Use Surveys will provide the CHA and City with information on current land uses and proposed future private and public land uses. It is

anticipated that the CHA will receive a grant from a third party charitable foundation within the next few months, which will be used to off set a portion of the costs.

**RESOLUTION NO. 2001-CHA-16**

**WHEREAS**, the Board of Commissioners has reviewed the memorandum dated January 17, 2001 entitled, "Authorization to enter into an Intergovernmental Agreement with City of Chicago's department of Planning and Development for Planning Services for the creation of a Land Use Survey of the State Street Corridor and Rockwell Gardens Community";

**THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY**

**THAT**, the Board of Commissioners authorizes the Chief Executive Officer or his designee to enter into an Intergovernmental Agreement with City of Chicago, acting through the Department of Planning and Development, to provide planning services for the creation of a Plan Survey of the State Street Corridor and Rockwell Gardens community and to create required Land Use Surveys in preparation of 2001 Hope VI Revitalization Grant applications for Stateway Gardens, Robert Taylor A & B and Rockwell Gardens in an amount not-to-exceed \$180,000.

Motion to adopt said resolution was seconded by Commissioner Gates and the voting was as follows:

Ayes:	Sharon Gist Gilliam Mamie Bone Michael Darcy Leticia Peralta Davis Earnest Gates Dr. Mildred Harris Andrew Mooney Sandra Young
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Nays:	None
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There being no discussion on this item, the Chairperson thereupon declared said motion carried and said resolution adopted.

There being no further business to come before the Commissioners, upon motion made, seconded, and carried, the Special Board meeting was adjourned.

**s/b: Sharon Gist Gilliam  
Chairperson**

**s/b: Lee Gill, Custodian  
and Keeper of Records**